



# PSC NEWS

## Missouri Public Service Commission

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### PSC APPROVES AGREEMENT IN UNION ELECTRIC DECOMMISSIONING CASE.....CUSTOMER RATES TO REMAIN THE SAME

Jefferson City (January 3, 2003)---The Missouri Public Service Commission has approved an agreement reached by Union Electric Company d/b/a AmerenUE, the Office of the Public Counsel and the Staff of the Missouri Public Service Commission which addresses AmerenUE's decommissioning cost estimate and funding level of its nuclear decommissioning trust fund.

As part of a 1985 Public Service Commission rate case decision dealing with the costs of AmerenUE's Callaway nuclear power plant, the Commission ordered AmerenUE to establish an external fund for the decommissioning money collected (in customer rates) over the life of the plant. The external fund is administered through a trustee. The funds accumulated in the trust are invested by the trustee and are unavailable for company use until the plant is decommissioned.

Missouri Public Service Commission rules and regulations require review of the trust fund accruals every three years. These reviews are designed to ensure adequate funding for decommissioning of the power plant. AmerenUE filed an application with the Commission on August 30, 2002, in compliance with Commission rules and regulations.

AmerenUE stated in its application that the current contribution of approximately \$6.2 million is adequate to meet the cost of decommissioning the Callaway nuclear power plant (AmerenUE is the sole owner of the Callaway nuclear power plant). AmerenUE stated the current annual contribution amount should not be changed at this time. AmerenUE's cost estimate to decommission the Callaway nuclear power plant is approximately \$515.3 million in 2002 dollars. **In the filed stipulation and agreement, all parties agreed the current contribution is adequate and therefore current rates should not change.**

The Commission approved the agreement stating in its order: "The Commission has considered the verified application and its attendant studies and analyses, the unanimous stipulation and agreement, and the Staff (PSC Staff) Recommendation. The Commission finds that AmerenUE's currently effective rates include an annual amount of \$6,214,184 for decommissioning expense. The Commission also finds that AmerenUE's 2002 Cost Study meets the requirements of 4 CSR 240-20.070(9)."

AmerenUE serves approximately 1.1 million electric customers in Missouri.

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